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Homeowner Assistance Program Takes Crucial Step
Governor Barbour Outlines Application Process

(JACKSON, Mississippi) – Governor Haley Barbour said today he expects federal authorities to publish a Notice in the Federal Register on Wednesday that will allow Mississippi to submit its plan to award some \$4 billion in unprecedented grants to qualifying Katrina-stricken homeowners.

The Community Development Block Grants would provide up to \$150,000 for homes that were outside the federally designated flood zone, yet flooded due to Hurricane Katrina. The Governor's office and Mississippi Development Authority must submit a plan acceptable to the U.S. Department of Housing and Urban Development, and a submission could not be made before HUD officially publishes guidelines in the Federal Register.

"Publication of HUD's guidelines gives us the green light to submit our plan, and we are poised to do it in short order," Governor Barbour said. "I am confident our plan will meet HUD's requirements, and we will be allowed to quickly get essential money into the hands of coastal homeowners who desperately need the help as they consider their options."

MDA is developing the program infrastructure for administering the homeowner assistance grant, a massive undertaking with many variables. The agency is working to have applications available on-line by Feb. 20 and paper applications sometime thereafter. Barbour stressed that details have to be approved by HUD, and that final rules will be publicized through the media.

"This is an incredibly large undertaking for the State of Mississippi and our records indicate that about 35,000 people may be eligible," Governor Barbour said. "Even in the face of this traumatic time, I encourage applicants to exercise patience as we try to accommodate the needs of all applicants."

In general, homeowners may receive up to \$150,000 or the insured value of their home (whichever is less), less any insurance proceeds or payments from FEMA, not to exceed the value of damage. If the homeowner has received an SBA homeowner disaster loan, by federal law, the grant would first be used to repay the disaster loan.

To qualify for the grant:

- The home must have been owner-occupied as of Aug. 29, 2005, and located in Jackson, Hancock, Harrison or Pearl River County. This program is not for second homes or rental property.

- The home must be outside of the federally designated 100-year flood zone, yet flooded due to Hurricane Katrina.
- The owner must have had homeowners' insurance.
- Barbour said the state is also working on other programs for people who do not fit these criteria, such as low income homeowners who did not have insurance.

Homeowners needing or choosing to rebuild must agree to comply with the 2003 International Building/Residential Codes and new FEMA Advisory Flood maps. Homeowners choosing to repair must agree to make repairs in accordance with the same building codes. Barbour is working with HUD to develop guidelines on how to help homeowners cover the additional cost of rebuilding to higher elevations.

All homeowners who receive grants will be required to buy flood insurance for the property and must agree to allow covenants to be attached to the property binding future owners to the flood insurance, building code and FEMA Advisory Flood Map requirements.

Official registration information will be released as soon as HUD approves the program, but Barbour said, generally, potential applicants should go ahead and begin to collect the following information, which they will need:

- Contact information: Along with the address and phone number where the damages occurred, you will be asked for information on how MDA can contact you. It is very important that you provide MDA with your current mailing address and phone numbers where you can be contacted. Those with e-mail addresses should provide them as well.
- Driver's license number
- Citizenship: You will be asked to provide information regarding your U.S. citizenship status.
- Social Security number
- 2004 or 2005 tax return information
- Date of home purchase
- Deed of Trust: You will be asked to provide a copy of the Deed of Trust or the name(s) listed on the Deed of Trust to your home, if different from your current name. If your home is a mobile home, you will be asked to provide the name(s) listed on the title, plus deed to the lot if applicable.

- Insurance information: You will be asked to identify the type(s) of insurance coverage you have or had, including name of insurer, policy number, and amount of any claims paid.
- Mortgage information: You will be asked to provide the name of your mortgage lender, loan number, and balance remaining for your primary mortgage, if any.
- Secondary mortgage information: You will be asked to provide the name of your mortgage lender, loan number, and balance remaining for any secondary mortgage(s), home equity line(s) of credit, or other lien(s), if any.
- SBA proceeds: You will be asked to provide information about any Katrina-related proceeds received from the Small Business Administration (SBA) for structural damage to your home.
- FEMA proceeds: You will be asked to provide information about any Katrina-related proceeds received from the Federal Emergency Management Agency (FEMA) for structural damage to your home.
- Electronic Funds Transfer (EFT)/Direct Deposit Information (optional): If you are determined to be eligible for assistance and would prefer that funds be transferred to your bank account, you will be asked for your banking information, which includes the institution name, type of account, routing and account number.
- People who have or had homeowners insurance and flood insurance are eligible; all insurance proceeds will be deduced from grant amounts.
- Homeowners who have already begun repairs should gather and retain all receipts.

The initial application process for the Homeowner Assistance Program is Web-based and must be completed on-line. Near the end of February, MDA will have established Operations Centers for the physical acceptance and on-line keying of applications. These centers will be open for at least 4-6 weeks.

Other details will be released soon, such as the Web site for making on-line applications, phone numbers and how to schedule an appointment with one of MDA's Operations Centers.

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